

NATIONAL RECOVERY ADMINISTRATION

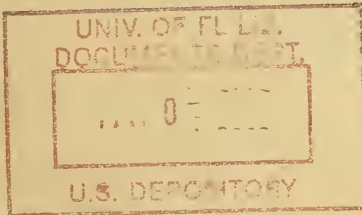
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CODE OF FAIR COMPETITION

FOR THE

ACADEMIC COSTUME  
INDUSTRY

AS APPROVED ON FEBRUARY 19, 1934



UNITED STATES  
GOVERNMENT PRINTING OFFICE  
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Approved Code No. 299

**CODE OF FAIR COMPETITION**  
**FOR THE**  
**ACADEMIC COSTUME INDUSTRY**

**As Approved on February 19, 1934**

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**ORDER**

**APPROVING CODE OF FAIR COMPETITION FOR THE ACADEMIC COSTUME  
INDUSTRY**

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a Code of Fair Competition for the Academic Costume Industry, and hearings having been duly held thereon and the annexed report on said Code, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and do hereby order that said Code of Fair Competition be and it is hereby approved.

HUGH S. JOHNSON,  
*Administrator for Industrial Recovery.*

Approval recommended:

A. D. WHITESIDE,  
*Division Administrator.*

WASHINGTON, D.C.,  
*February 19, 1934.*

## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: Public hearing on the Code of Fair Competition for the Academic Costume Industry as proposed by the National Guild of Academic Costumers was conducted in Washington on October 18, 1933. Every person who requested an appearance was fairly heard in accordance with statutory and regulatory requirements. The Code has the approval of the Labor, Industrial and Consumers' Advisory Boards of the National Recovery Administration and of the Legal Division. The Chairman of the Code Committee of the submitting association, upon authorization of the Committee, has also indicated his approval of the final draft of the Code on behalf of the industry.

### DESCRIPTION OF THE INDUSTRY

The industry, as defined in the Code, includes the manufacture, sale and rental of caps, gowns and hoods for use in schools and colleges, and the manufacture, sale and rental of clerical, choir and judicial robes.

The manufacture and rental of academic costumes comprise about 90% of the total industry and of this business fully 80% entails only the rental of caps, gowns and hoods. The manufacturing phase of the industry is therefore of minor importance and it may be construed almost entirely as a service operation.

### RÉSUMÉ OF THE CODE

Article I sets forth certain definitions.

Article II stipulates a maximum forty hour week for employees engaged in the mechanical processes of manufacture, forty-eight hours a week for janitors and watchmen, and a forty-four hour week for all other employees except that overtime is permitted as necessitated by the peculiar condition of the industry which is concentrated in about a ten week period from the middle of April to the end of June.

Article III sets minimum wages of \$14 per week for manufacturing employees and for all other employees in cities of 250,000 population and over and \$12 per week in cities or places of less than that population.

Article IV prohibits child labor and contains the labor provisions mandatory under the Act.

Article V provides for the establishment of a Code Authority by the National Guild of Academic Costumers and the Administrator. It empowers the Code Authority to collect statistics of the industry, to provide for fair trade practices, to enforce the provisions of the Code, to cooperate with the Administrator in regulating the use of

an N.R.A. insignia or label and to make recommendations for representative costs below which products of the industry shall not be rented or sold.

Article VI provides for the use of an N.R.A. label on garments or containers for the purpose of informing customers of conditions under which products of the industry are manufactured or distributed.

Article VII prohibits trade practices which in the past have greatly injured the industry.

Article VIII states the method of modifying or amending the Code.

Article IX prohibits monopolies or discrimination against small enterprises.

Article X recognizes the purpose of the National Recovery Act to increase real purchasing power and provides that price increase shall be limited to actual additional increases in costs.

Article XI provides for the application of the Code to persons employed on the products of the industry although employed by firms engaged in other lines of business.

Article XII states the effective date of the Code.

#### POSSIBLE REEMPLOYMENT

The Academic Costume Industry employed more people during 1933 than during 1928. The reduction of hours provided for in the Code will probably increase employment about 20% and the increasing trend toward the use of caps and gowns in secondary schools will probably provide a still greater increase in employment.

#### FINDINGS

The Deputy Administrator in his final report to me on said Code having found as herein set forth and on the basis of all the proceedings in this matter;

I find that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said industry normally employs not more than 50,000 employees; and is not classified by me as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation

Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant group is an industrial group truly representative of the aforesaid industry; and that said group imposes no inequitable restrictions on admission to membership therein.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Code.

For these reasons the Code has been approved.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*

FEBRUARY 19, 1934.

# CODE OF FAIR COMPETITION FOR THE ACADEMIC COSTUME INDUSTRY

## PURPOSES

To effectuate the policies of Title I of the National Recovery Act, this Code is established as a Code of Fair Competition for the Academic Costume Industry, and shall be the standard of fair competition for this Industry and shall be binding upon every member thereof.

## ARTICLE I—DEFINITIONS

1. The term "Industry" as used herein includes the manufacture, sale, or rental of caps, gowns and hoods for use in schools and colleges, and the manufacture, sale, or rental of clerical, choir, and judicial robes.

2. The term "Member of the Industry" as used herein includes, but without limitation, any individual, partnership, association, corporation, or other form of enterprise engaged in the Industry, either as an employer or on his own behalf.

3. The term "employee" as used herein includes any and all persons engaged in the Industry, however compensated, except a Member of the Industry.

4. The term "employer" as used herein includes any one for whose benefit, or on whose business such employee is engaged in said Industry on his own behalf.

5. The terms "Administrator" and "Act" as used herein shall mean respectively the Administrator for Industrial Recovery and Title I of the National Industrial Recovery Act.

6. Population for the purposes of this Code shall be determined by reference to the Federal Census of 1930.

## ARTICLE II—HOURS OF LABOR

1. No employee engaged in the mechanical processes of manufacture shall be permitted to work more than forty (40) hours in any one week.

2. No clerical, office, store, or warehouse employees nor other employees not included within the provisions of Sections 1, 3, 4 and 5 hereof, shall be permitted to work in excess of forty-four (44) hours in any one week, except that in emergency and other peak periods, not to exceed ten (10) weeks in any calendar year such employees may be permitted to work a maximum of forty-eight (48) hours in any one week, provided, however, that such employees shall be paid not less than time and one-third the normal rate per hour for all hours worked in excess of forty-four (44) hours in any one week.

3. No shipping clerk, stock clerk, driver or porter shall be permitted to work in excess of forty-four (44) hours in any one week, except that this provision shall not apply to such employees during a period not to exceed ten (10) weeks in any calendar year; provided, however, that such employees be paid not less than time and one-third the normal rate per hour for all hours worked in excess of forty-four (44) hours in any one week.

4. No janitor nor watchman shall be permitted to work in excess of forty-eight (48) hours in any one week.

5. The provisions of this Article shall not apply to employees engaged in executive, managerial, or supervisory capacity and receiving thirty-five dollars (\$35.00) per week or more, or to outside salesmen.

6. No overtime beyond that therein provided for shall be permitted, except upon the authorization of the Code Authority, under such conditions and upon such terms as the Administrator may prescribe.

7. No employee shall be permitted to work for a total number of hours in excess of the number of hours prescribed for such week and day, whether employed by one or more employers.

8. No work shall be carried on in homes or tenement houses, or in unsanitary buildings, or in buildings unsafe on account of fire or dangerous to health.

#### ARTICLE III—WAGES

1. No employee engaged in mechanical processes of manufacturing shall be paid at less than the rate of \$14.00 per week of forty (40) hours.

2. No clerical, office, store, warehouse or other employee, not included within the term of the foregoing Section, shall be paid at less than the rate of \$14.00 per week when employed in cities of 250,000 population or over, nor less than at the rate of \$12.00 per week when employed in cities or places of 250,000 or less.

3. No employee whose normal full time weekly hours for the four weeks ending on the effective date of this Code are reduced by less than 20% shall have his full time weekly earnings reduced. Employees whose full time weekly hours are reduced by more than said 20% shall have the said earnings equitably adjusted.

All adjustments of wage rates made in accordance with this provision shall be reported to the Code Authority within thirty (30) days of the effective date of this Code. The Code Authority shall have the power to investigate and adjust complaints arising under this provision. Adjustments by the Code Authority modifying previous adjustments shall be subject to review by the Administrator.

4. This Article establishes minimum rates of pay which shall apply irrespective of whether an employee is actually compensated on a time rate, piece work or other basis. This Article and Section shall not apply to outside salesmen.

5. Clean, sanitary, light, healthful and safe working conditions shall be provided for all employees.

## ARTICLE IV—GENERAL LABOR PROVISIONS

1. No person under sixteen (16) years of age shall be employed in the Industry. No person under eighteen (18) years of age shall be employed in operations or occupations which are hazardous in nature or dangerous to health. The Code Authority shall submit to the Administrator not later than fifteen (15) days after the effective date a list of such operations or occupations. In any state an employer shall be deemed to have complied with the provisions as to age if he shall have on file a certificate or permit duly issued by the Authority in such state empowered to issue employment or age certificates or permit showing that the employee is of the required age.

2. (a) Employees shall have the right to organize and bargain collectively, through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing, and

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

3. No employer shall reclassify employees or duties of occupations performed for the purpose of defeating the provisions of the Act or of this Code.

4. No provisions in this Code shall supersede any law within any State which imposes more stringent requirements on employers as to age of employees, wages, hours of work, or as to safety, health, or sanitary conditions, or insurance, or fire protection, or general working conditions, than are imposed by this Code.

5. All employers shall post complete copies of Articles I, II, III, IV, and V of this Code in conspicuous places accessible to employees.

## ARTICLE V—ADMINISTRATION

1. (a) There shall forthwith be constituted a Code Authority consisting of seven (7) or more members, to be selected in the following manner:

Seven (7) members shall be selected by the National Guild of Academic Costumers. In addition thereto the Administrator may appoint not more than three (3) additional members without vote and without expense to the Industry, to represent such groups or interests or such governmental agencies as he may designate. Such members shall receive notice of and may sit at all meetings of the Code Authority.

(b) Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall (1) impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, by-laws, regulations and any amendments when made thereto, to-

gether with such other information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purposes of this Act.

(c) In order that the Code Authority shall at all times be truly representative of the Industry and in other respects comply with the provisions of the Act, the Administrator may provide such hearings as he may deem proper; and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority.

(d) An appeal from any action of the Code Authority affecting the rights of any person subject to this Code may be taken to the Administrator.

(e) Members of the Industry shall be entitled to participate in and share the benefits of the activities of the Code Authority and to participate in the selection of the members thereof by assenting to and complying with the requirements of this Code and sustaining their reasonable share of the expenses of its administration. Such reasonable share of the expenses of administration shall be determined by the Code Authority, on the basis of volume of business and/or such other factors as may be deemed equitable.

(f) Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any member of the Code Authority be liable in any manner to anyone for any act of any other member, officer, agent, or employee of the Code Authority. Nor shall any member of the Code Authority be liable to anyone for any action or omission to act under the Code, except for his own wilful misfeasance or non-feasance.

2. The Code Authority shall have the following duties and powers to the extent permitted by the Act:

(a) To adopt by-laws and furnish to the Administrator true and correct copies of the by-laws and all amendments thereto immediately upon their adoption, together with true and correct copies of all rules and regulations which may be adopted by the Code Authority and true and correct minutes of all of its meetings, all certified to by the Secretary of the Code Authority.

(b) To elect officers and to assign to them such duties as it may consider advisable, to provide rules for its procedure, and generally to act as the administrative agency of this Code, in accordance with the terms of the Act and the principles herein set forth.

(c) To receive, investigate and adjust complaints of violations of this Code subject to such rules and regulations as may be from time to time promulgated by the Administrator and to make recommendations based upon such investigations to the proper authorities for the prosecution of such violations.

(d) To obtain from members of the Industry periodical reports in such form and at such times with respect to wages, hours of labor, conditions of employment, number of employees, and such other matters pertinent to the purposes of this Code as the Code Authority may require for the administration and enforcement of this Code, and to submit reports to the Administrator in such form and at such

times as he may require in order that the President may be informed as to the observance or nonobservance of this Code and to further effectuate the policies of the Act.

(e) To use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided for herein, and to pay such agencies the cost thereof; provided, that such agencies shall at all times be subject to and comply with the provisions of this Code; and provided further that nothing herein shall relieve the Code Authority of any of its duties and responsibilities thereunder.

(f) To coordinate the administration of this Code with such other codes, if any, as may be related to the Academic Costume Industry, or any subdivision thereof, with a view to promoting joint and harmonious action upon matters of common interest.

(g) To provide ways and means for financing the operation of said Code Authority and to determine an equitable method of apportioning in the Industry the cost of administering this Code. Money raised in any manner shall not be used except for the administering of this Code.

(h) To cooperate with the Administrator in regulating the use of an N.R.A. insignia and an N.R.A. label as hereinafter provided for.

(i) To make recommendations for fair trade practices including provisions against selling below cost and otherwise to assist the Administrator in effecting the purpose of this Code and the Act. Any such recommendations upon the approval of the Administrator, after such hearing and notice as he shall prescribe, shall become a part of this Code.

(j) To investigate and adopt a uniform system of cost accounting for products manufactured by the Industry which, when so adopted, shall become a standard for the Industry; except that cost accounting systems now in use by members of the Industry, which are substantially the same as the system recommended or which reflect the same basis of establishing costs, may be retained.

(k) To study known costs involved in the renting of products of the Industry insofar as they are common to all firms engaged in such rental business and, after such study to recommend to the Administrator the lowest representative cost of such rental service and after his approval no member of the Industry shall rent below such representative cost. Such representative cost as above defined shall, however, be reconsidered and if found advisable, revised from time to time at reasonable intervals.

3. If the Administrator shall determine that any action of a code authority or any agency thereof is unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended for a period of not to exceed thirty days to afford an opportunity for investigation of the merits of such action and further consideration by such code authority or agency pending final action, which shall be taken only upon approval by the Administrator.

4. In addition to the information required to be submitted to the Code Authority, all members of the Industry shall furnish such ade-

quate information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act to such federal and state agencies as the Administrator may designate. Nothing in this Code shall relieve any one of any existing obligation to furnish reports to government agencies.

#### ARTICLE VI—LABELS

All garments manufactured and/or containers for such garments distributed subject to the provisions of this Code may bear an N. R. A. label to symbolize to purchasers, or persons renting said garments, the conditions under which they are manufactured or distributed. Under the powers vested in him by the executive order of October 14, 1933, and under grant of necessary authority by the Administrator, the Code Authority shall have the exclusive right in this Industry to issue and furnish said labels to the members thereof. Each label shall bear a registration number especially assigned to each employer by the Code Authority, and remain attached to such garment and/or container. Any and all employers may apply to the Code Authority for a permit to use such N. R. A. label, which permit to use the label shall be granted to them, but only if and so long as they comply with this Code. The Code Authority, subject to the approval by the Administrator, shall establish rules and regulations and appropriate machinery for the issuance of labels and inspection and supervision of the practices of employers using such labels in observing the provisions of this Code for the purpose of ascertaining the right of said employer to the continued use of said labels; of protecting purchasers in relying on said labels; of insuring to each individual employer that the symbolism of said label will be maintained by virtue of compliance with the practices herein contained by all other employers.

#### ARTICLE VII—TRADE PRACTICES

The following practices constitute unfair methods of competition for the members of the Industry and are prohibited:

1. The false marking or branding of any product of the Industry which has the tendency to mislead or deceive customers or prospective customers, whether as to the grade, quality, quantity, substance, character, nature, origin, size, finish, or preparation of any product of the Industry, or otherwise.

2. The making or causing or knowingly permitting to be made or published any false, materially inaccurate, or deceptive statement by way of advertisement or otherwise, whether concerning the grade, quality, quantity, substance, character, nature, origin, size, finish, or preparation of any product of the Industry, or the credit terms, values, policies, or services of any member of the industry, or otherwise, having the tendency or capacity to mislead or deceive customers or prospective customers.

3. Directly or indirectly to give or permit to be given or to offer to give to any school or college or to students, faculty members, or officials thereof, free gowns, caps, charity, or other gifts whether in the form of money or otherwise or the placing of advertisements in school or college publications or the allowance of special prices or

discounts on other merchandise sold or rented by a member of the industry or his sales representative.

4. Maliciously inducing or attempting to induce the breach of an existing oral or written contract between a competitor and his customer or source of supply, or interfering or obstructing the performance of any such contractual duties or services.

5. The payment or allowance of secret rebates, refunds, commissions, credits, or unearned discounts, whether in the form of money or otherwise. Nothing in this paragraph shall apply to bona fide commissions allowed to a sales representative in a school or college where the account has been handled by a local representative of a member of the industry prior to August 16, 1933, even though such representative may be a faculty member, or official of the school or college. These provisions shall not be construed to prohibit a general distribution of articles commonly used as advertising, except so far as such articles are actually for commercial bribery as hereinabove defined.

6. The defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations or by false disparagement of the grade or quality of their goods.

7. The publishing or circularizing of threats or suits for infringement of patents or trade marks or of any other legal proceedings not in good faith, with the tendency or effect of harassing competitors or intimidating their customers.

8. Securing confidential information concerning the business of a competitor by a false or misleading statement or representation, by a false impersonation of one in authority, by bribery, or by any other unfair method.

9. Withholding from or inserting in any invoice or statement figures which make the invoice or statement a false record wholly or in part of the actual transaction.

10. Any sale on the installment plan, which gives the purchaser the privilege of return with cancellation of part of the purchase price, shall be deemed a rental and shall be subject to the provisions of this Code.

#### ARTICLE VIII—MODIFICATIONS

1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of subsection (b) of Section 10 of the Act, from time to time to cancel and modify any order, approval, license, rule, or regulation issued under said Act.

2. This Code, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances, such modifications to be based upon application to the Administrator and such notice and hearing, as he shall specify, and to become effective on the approval of the Administrator.

#### ARTICLE IX—MONOPOLIES

No provisions of this Code shall be so applied as to permit monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

## ARTICLE X—PRICE INCREASES

Whereas the policy of the Act to increase real purchasing power will be made more difficult of consummation if prices of goods and services increase as rapidly as wages, it is recognized that price increases except such as may be required to meet individual cost should be delayed. But when made such increases should, so far as possible, be limited to actual additional increases in the seller's costs.

## ARTICLE XI—GENERAL

Any employer, who at any time, shall manufacture, sell or rent any article or articles subject to the provisions of this Code, shall be bound by all provisions of this Code as to all employees engaged in whole or in part in such manufacture, sale or rental. In case any employee shall be engaged partly in such manufacture, sale or rental and partly in the manufacture, sale or rental of goods of another character, covered by another approved Code, this Code shall apply only to such portions of such employee's time as is applied to the manufacture, sale or rental of articles subject to this Code.

## ARTICLE XII—EFFECTIVE DATE

This Code shall become effective on the second Monday after its approval by the President.

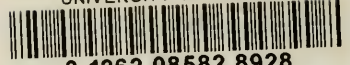
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